

2007

Annual
Report



Office Bearers

Office Bearers – 2006 / 2007

President:	C. Wayne Owen
Vice President:	Kerry M. McGorm
Captain:	Anthony J. Bourne
Vice Captain:	David Brooker
Committee:	Peter J. Bridge Geoff A. Ferris Tom W. Hannah ¹ Sue K. Hedley Terry M. Martin Peter F. Spence Chris S. Watson
General Manager:	Barry L. Linke
Course Manager:	Richard N. James
Finance Manager:	Brett A. Lewis
Professional:	Warren T. Mercer

Office Bearers – 2006 / 2007

Executive

Wayne Owen (Ch)
Tony Bourne
Tom Hannah
Peter Spence

SAGA Representative's

Wayne Owen
Tony Bourne

Ladies

Pam Owens
Sue Hedley
Marie Bridge
Margaret Cummins
Deb Middleton
Helen Osborne
Gaye Stephens
Lynne Veness

COMMITTEE

Below are the names of the Club Committee together with a list of the number of meetings held and the number attended by each during the term of office during the financial year.

	Meetings Eligible to attend	Meetings Attended
Mr A J Bourne	11	11
Mr P J Bridge	11	10
Mr D Brooker	11	9
Mr G A Ferris	11	8
Mr T W Hannah ¹	11	6
Mrs S K Hedley	11	11
Mr T M Martin	11	9
Mr K M McGorm	11	8
Mr C W Owen	11	10
Mr P F Spence	11	11
Mr C S Watson	11	10

¹ Resigned 21st June 2007

President's Report 2007

As we draw the curtain on our Anniversary Year – 80 years for the West and 40 years for the East - we should perhaps reflect on the recent changes at Grange.

Coming from Riverside, I clearly remember the excitement of driving through the gates at Grange. After circumstances that led to myself and others taking up the challenge to revitalise your club, I am happy to say I have begun to regain that same sense of excitement.

There have been many changes over the past year, with the two most notable being the re-opening in February of the re-mastered West Course and the appointment of a new Course Superintendent.

Re-mastered West Course

The West, although still in its infancy, has clearly passed the strict review of hosting Simpson Cup, Vardons, State and many other events. Golf Australia has been glowing in its praise following their recent review for the World Amateur Team Championship next year, confirming the course will retain its championship status.

I must acknowledge our course Architect, Michael Clayton, his assistant, Bruce Grant, and their team. Michael is very proud of the achievement and believes the opportunity helped grow his reputation as a course designer.

A special thank you to the core "Tuesday Course Volunteers" of Rex Connolly, Ian Mcphee, Kevin Rogers, Grant Bamber, Ron Davis, Jock Smibert, and John Ridley. The West Course is significantly better through efforts of clearing undergrowth, facilitating faster rounds and superior vistas – can't speak too high of their efforts!!

Again, I must recognise the Committee for their support with this project, in particular Peter Spence and Terry Martin for their countless hours worrying about our "new baby". The moment we dusted off the draft plan, through its revision to allow vegetation and tree removal, to the decision to accelerate the work to little over a year, I have enjoyed tremendous support from both the Committee and Members.

Thank you to the countless members who were so encouraging. This was a major project and not without risk – our bold approach was largely crafted as a result of the member support.

Course Superintendent

The second most significant change was to seek a new Course Superintendent. Members may not appreciate the difficulty of the task of assessing technical turf management skills, but after four interviews, we were convinced Richard James would be the person to take our courses to the next level. Richard has already made his mark, he has substantially re-structured his team introducing new Assistant Superintendent, Shaun Bilston, new Mechanic/Workshop Manager, Will Sadler and several new qualified greens staff and potential trainees. We now place a new emphasis on technical skills and pride in outcomes. I have little doubt that over time Richard will establish his own reputation with Grange being the major beneficiary.

Our philosophy now is to develop our own staff through traineeships, with our goal being to produce staff who will graduate to a superintendent's position some where else – something that Grange has never done before!

Other Initiatives

I list below a summary of changes introduced this year as many slip under the radar and will be of interest to members;

- Establishing the "Grange Deli" to enhance our quick and casual food service pre and post golf.
- Appointment of Lynda Fenton, who has greatly improved member service levels.
- Promoting Elle Eckermann to manage our Function market with significant improvements in productivity.
- Re-signing our Club Professional, Warren Mercer on a new flexible three year rolling contract.
- Establishing a modernised dress code for the course and clubhouse.
- Introduction of "Volunteer Course Marshalling" for both corporate golf days and member golf – a significant decrease in time to play a round has been achieved.
- Introducing a volunteer "Course Carer" program which is having a significant impact on pitch marks, divots and bunker conditions.
- A Peter Spence initiative resulted in two successful course working bees to help weed and plant the sandy waste areas. One member commented that he came to the last working bee in 1956!!
- Negotiations with Golf Australia to secure playing rights for members during the WATC and to limit the cost of staging this event.

President's Report 2007

- Concluded negotiations with the SANFL to establish and operate in partnership a 450 space car park on the previously used “dump” adjacent to the 13th tee East – this will result in an annual net revenue of approximately \$50,000.
- Negotiating with “Trees for Life” to obtain a grant to green our course perimetres.
- Approval for a new 13th green East to create a spare hole for both courses.
- Commissioning of the ASR facility (Wetlands) and redesign of the 4th and 5th holes on the East.
- Redesign and irrigation of the practice range – having never been irrigated, this will transform the previously sub-standard facility to a standard of turf expected.
- Relocation and redesign of a bunker and chipping facility at the eastern side of the practice range.
- Stripping and replanting the greens nursery adjacent to the 2nd hole East with our new A1 greens turf ensuring adequate protection against disease and damage etc in our new greens.
- Restructuring our Management to split our functions into Golf Services, Food and Beverage Services and Administration Services. Barry is to manage Golf Services and Brett Lewis to manage Food and Beverage. Significant service level improvements and profitability gains have already been realised.
- Introduction of a 10 Year Financial Plan so that members can see “over the horizon” with more certainty and clarity. More importantly, it now allows members to track performance against targets to ensure promises and predictions are achieved.
- Introduction of a “Golf Talent Squad” to encourage and better develop the significant talent we have at Grange.
- Securing full reciprocal playing rights at prestige club, Royal Canberra. An excellent golf course and clubhouse facility which is well worth a visit. The first of many improvements we hope with our reciprocal club arrangements.
- We have been negotiating with Woodlands Golf Club in the Melbourne sandbelt for full reciprocal rights (rated 26 in Australia by Golf Digest). Whilst not finalised it seems we will reach agreement soon.
- Updating the front entrance and entrance road to greatly improve this aspect of the Club. (We acknowledge member Henry Polec's contribution)

- Renegotiating the Club's commitment to Liquor Industries Charity Day and IGA Pro Am so that the Club's contribution is fully recognised by partnering in a specific project. (eg float for Riding for the Disabled)
- So as you can see it has been a busy year full of changes and improvements. Your Committee has worked very cohesively and more efficiently to ensure things happen rather than simply continuing to talk about them.

Finance

Our financial status has been the subject of much conjecture following the partial funding of the West Course redevelopment by debt. Let me reassure members, I am very much a financial conservative and will not allow the club to spend beyond its means. We wish to leave behind a well structured, profitable club with the best playing conditions year round – not a financial legacy for those to follow.

Given our capital expenditure program over the last 2 years with two major projects, the Wetlands and West Course, our financial position is very good and continues to improve. We are tracking ahead of our 10 year plan and this year will generate a cash operating surplus of approximately **\$925,000** allowing us to fund all capital expenditure.

Review of the 10 year plan (see page 12) shows by **2011** we generate profit in excess of **\$500,000** and operating cash flow surplus of **\$1.3million**. For the first time our Club will realise its true financial performance capability.

It was never my intention to resolve our financial issues by simply raising fees and therefore impacting on the affordability of many members. We needed fees to increase to properly secure a revenue bases that would allow us to present first class playing conditions. Currently we are working hard on improving our efficiency and profitability so that future increases will be kept to a minimum.

Our progress is such that the originally planned third increase of 7.5% may now not be required. Our fees remain the lowest of the tier 1 clubs and substantially lower than our interstate counterparts and I intend to properly utilise the power of our large membership to ensure we continue to enjoy that status of the lowest fees.

Again contrary to conjecture, there are no plans for a call on our membership. Calls represent a hardship on members and should only be considered in exceptional circumstances and only then when put to the membership at our AGM. Capital raised from incoming members will be sufficient to fund all capital works contemplated by our 10 Year Plan.

President's Report 2007

Financially, the next few years will be rewarding for your club as we continue to undertake initiatives within our 10 Year Plan. This plan should remain a blueprint for our future.

In closing, I would like to thank many people for a great year at Grange. To our General Manager Barry Linke and his team – you continue to be very dedicated to the club and have been a pleasure to work with. To Warren Mercer and the Pro Shop staff – you continue to provide great service and importantly a happy environment for our members. To Richard James and the Course staff – significant changes in both performance and attitudes, which are very much of value! To Lynda and Toula and our Food and Beverage staff – we understand we are testing at times but you do a great job and continue to improve your service levels.

To our Captains, Tony and Sue and Lady President Pam – so many unrecognised hours behind the scenes – thank you for an expert and positive approach to a big task.

To our Committee and many Volunteers – the life blood of any sporting club. Our spirit of volunteerism is growing and that reflects the pride and passion we share in our club. Can't thank you enough or give you sufficient recognition!

We have trialled a more inclusive style of management with all Committee being involved in decision making across all areas rather than being split into traditional Sub-Committees. It has worked well and facilitated contributions to any area of interest by Committee members.

To our Pennant Managers, thank you for devoting your time to helping our many talented golfers to develop their potential, in particular, congratulations to Tony Mazzone and the Simpson Cup Team for their memorable victory!

Condolences to friends and family of members who have passed away this year – I miss my golf with Wayne "Grumpy" McGuinness.

To our members – I sincerely hope when you drive through our gates that your experience continues to improve. We are making progress but the task is by no means complete. The good thing is we have the energy and enthusiasm to continue the process.

Best regards and enjoyable golfing!

Wayne Owen

President

Obituary

It is with deep regret and sadness we report the passing of the following members;

- Morris Crosby
- Wayne McGuinness
- John Schmitzer
- Mark Backhouse

Captain's Report 2007

It has been a great privilege and largely a pleasure to have been afforded the honour of being the Captain of The Grange Golf Club for the past two years. I would like to take this opportunity to thank all those members who have taken the time to give me an expression of support during this time.

Clearly the major highlight for the Club and the playing of golf since the last AGM has been the re-opening of the front nine holes on the West Course following the greens renovation program incorporating Michael Clayton's master plan.

In addition, great progress has been made with the Wetlands development on the East Course with what was a series of dry holes 12 months ago now having water on an intermittent basis. The plant growth in this area has been nothing short of amazing to me. At the time of writing, preparations are in hand for further plantings of 8,000 plants to complete the vegetation program so that if it does rain in 2008 we will be able to pump water into the underground aquifer. The successive dry winters in 2006 and 2007 show how farsighted the development of this project has been to enable the Club to effectively waterproof itself.

The challenges presented by both our courses have generally restored the balance of playing numbers. While the remodeled West Course clearly is more popular, the number of members playing the East Course on our busiest days has been restored and we appear to have moved on from the 5 hour rounds which were common on the East Course when the temporary greens were in play on the West Course.

The volunteer marshal program in place for Corporate Golf Days, Saturdays and Wednesdays has been of great benefit to the playing of golf and has undoubtedly significantly contributed to a reduction in the time taken for a round of golf, as members have become more aware of their responsibility to keep up with the group in front.

Pennant

When I became Club Captain, Tony Mazzone, the Pennant Manager promised me that he and his 'boys' would deliver a winning Simpson Cup Team during the term of my captaincy. During 2006 this promise looked a little shaky, as at one stage Grange looked to be in danger of relegation. Nevertheless, Tony's belief in his team was unwavering. After losing the first match of the season, the team then proceeded to carry all before it and convincingly defeated Glenelg in the final 6½ matches to ½. Congratulations to Nick Cullen (Captain), Chris Brown, Tom Bond, Alex Hendrick, Andre Na, Justin Crowder and especially the "Man of the Series", Steve Maddaford.

It was pleasing to see the re-introduction of the Junior Pennant in late 2005, but I believe that the timing of the matches needs to be reconsidered as this time coincides with exam time for many of the juniors at whom the competition is aimed.

The McMillan Shield competition continues to provide a launching pad for our younger members to begin their interclub careers in a handicap match play format. It is most encouraging to see members as young as 11 or 12 engaged in competitive golf and learning the difference between stroke and match play and adjusting their tactics accordingly.

My thanks are extended to the team managers - Tony Mazzone and Bob Higgins (Simpson Cup), Kerry McGorm (Bonnar Cup), Andrew Nakone (Junior Pennant) and Rick Holt (McMillan Shield), and Warren Mercer and Charlie Hill for their support during the season. Special thanks are again extended to Tony Mazzone for sponsoring uniforms for the team members.

2007 Pennant Teams

SIMPSON CUP

Tom Bond
Chris Brown
Nick Cullen (Captain)
Alex Hendrick
Andre Na
Steve Maddaford
Tony Mazzone (Manager)
Bob Higgins (Assistant Manager)

JUNIOR PENNANT

Alex Brown
Tommy Hendrick
Lee Konstas
Andrew Lee
Matthew Nakone
Nick Nakone (Captain)
Michael Tullio
Andrew Nakone (Manager)

BONNAR CUP

Richard Albanese (Captain)
James Coulson
Joe Crierie
Villi Koronis
Shannon Matthews
Lloyd Moffatt
Carl Morris
Alex Vasek
Michael Tullio
Julian Wee
Kerry McGorm (Manager)
Richard Holt (Manager)

McMILLAN SHIELD

Colin Coleman
Lawrence Fantus
Tom Hendrick
Russell Jones
Matthew Lisk
Anthony Murdaca (Captain)
Andrew Nakone
Tom Sossic
Elle Szuster

Captain's Report 2007

Championship Winners

Club Champion

The Club Championship was won by Tom Bond, defeating John M. Bell 6 and 4. John had a great chance to establish a handy lead over the first nine holes, but his putter let him down and once Tom finally got his game into gear, John was forced to pay the penalty for not taking his early chances. The score required to qualify for the match play section was 161.

Junior Champion

Chris Brown, the Club Champion in 2006 was the winner of this event, defeating Tom Bond 5 and 3.

Club Foursomes

Andre Na and Greg Linke triumphed in the Open event with a score of 155. The B foursomes were won by Tony Bourne and Don Newman and the C Grade event went to Ian Sterzl and Rick Holt. In the mixed foursomes championship for the Arunta Cup Stephanie Na and Tom Bond were victorious with a score of 76.

State Selections

Our Club extends hearty congratulations to the following members who were selected to represent the State:

Nick Cullen – SA State team

Chris Brown – SA State Team

Andre Na – State Colts Team

Spring Valley

It was the turn of Spring Valley to visit Grange and the event reverted to March to coincide with the Adelaide Cup weekend in Adelaide (and the Moomba Festival in Melbourne). Our visitors were able to experience for the first time the new West Course with the front nine holes having been opened just two weeks before they arrived. Once again we were able to ensure that the home team advantage was too great a hurdle to clear. Spring Valley did manage to salvage pride with Mark Ricco taking out the trophy as the overall winner of the event.

Other Events

The fortnightly Summer Twilight series on Friday evenings and the monthly Commonwealth Bank events continue to be well supported, with many players staying on for dinner after the events, thus generally contributing to the general spirit of camaraderie within the Club. We look forward to the innovation of "Sunset Golf" on alternate Thursday evenings in the coming summer months.

Acknowledgements

My thanks are extended to all those that have helped me with the planning and running the golf program at The Grange Golf Club for the last year. In particular Vice Captain David Brooker and Lady Captain Sue Hedley have been unstinting in their support. I am also indebted to Peter Spence who has given me great assistance with rules interpretations and referee duties. President Wayne Owen and the other members of Committee have also given great support behind the scenes.

Warren Mercer and his team in the Pro Shop for their friendly approach to all members and for the support they have given me.

Richard James and his ground staff team put in a great deal of effort completing the redevelopment works program on the West Course, and then put their shoulders to the wheel in helping to consolidate the progress made. The improvements in the condition of the bunkers and the greens on the East Course are a tribute to them all.

Lynda, Toulia and their 'upstairs' team for their assistance with organisation of the many social events which extend the pleasure of the golfing experience at Grange.

Barry Linke and his team in Administration have been generous in their support and have helped smooth the road in front of me on many occasions.

I look forward to The Grange Golf Club hosting the World Amateur Team Championship in October 2008 – the Espirito Santo Trophy for women and the Eisenhower Cup for men.

And please remember that if we would all keep right up with the group in front, 4 hour rounds at the tail of the field would be a reality.

Finally I thank you, the members, for extending to me the privilege of being Captain of The Grange Golf Club.

Tony Bourne

Captain

Club Events and Named Trophies 2006-2007

	2006	2007
CLUB CHAMPIONSHIP – F McLachlan & P LeMessurier Trophy	Tom Bond	
CLUB FOURSOMES CHAMPIONSHIP	Andre Na & Greg Linke	
CLUB FOURSOMES B GRADE	Don Newman & Tony Bourne	
CLUB FOURSOMES C GRADE	Ian Sterzl & Rick Holt	
CLUB STROKE CHAMPIONSHIP – Eric Fitzroy Memorial Trophy	Chris Brown	
GEORGE HOWARD MEMORIAL TROPHY (Best Nett)	George Giotis	
CLUB MIXED FOURSOMES CHAMPIONSHIP – Arunta Cup and Milton & Merle Hatwell Trophies	Sarah Wilum & Greg Linke	Stephanie Na & Tom Bond
CLUB JUNIOR CHAMPIONSHIP - RG Thomas Trophy	Chris Brown	
- K Robinson Trophy (Best Gross)	Chris Brown	
TERRY MARTIN TROPHY (Best Gross)	Chris Brown	
B CUP	Tommy Hendrick	
C CUP	Robert Ryan	
CLUB VETERANS CHAMPIONSHIP - C R Angel Trophy	Chris Watson	
TOM SMITH TROPHY - Veterans Best Nett	James O'Neill	
SUMMER CUP	Ross Fyfe & Gary O'Neill	David Crotti & Leigh Carpenter
WINTER CUP	Geoff Sulley & Mick Williamson	Geoff Sulley & Mick Williamson
PRESIDENTS PLATE and TROPHY	Trevor Godfrey	Elio Rillo
CAPTAINS PLATE and TROPHY	Grant Kardachi	Peter Langham
CHAMPION OF CHAMPIONS – Dalton Cup	Ben Tuohy (Glenelg)	
ANZAC CUP	Trevor Godfrey	Ned Martin
A W IRVINE TROPHY	Joseph Scopacasa	
MID WEEK MEDAL WINNER	Villi Koronis	
CITY OF CHARLES STURT BOWL and TROPHY	Kent Smith	
GRANGE AMATEUR OPEN – J Custance Perpetual Trophy	Jordan Sherratt (Thaxted Park)	Peter Cooke (Royal Adelaide)
COMMONWEALTH BANK PLATE and TROPHY	Malcolm Brown	
PAUL BACKHOUSE MEMORIAL ROSEBOWL – Grange Junior Vardon	Matt McGowan (Glenelg)	Chris Brown (Grange)
RYDE PARRAMATTA CUP	Chris Watson	Craig Marriott
9 HOLE TWILIGHT EVENT – Ray and Mollie Scudds Trophy	Richard Hood & Yvonne West	
POZZA CUP	Maurice Watson	
DRYSDALE PLATE – Parent and Child Event	Peter & Thomas Sossic	
SA Police Club Plate and Trophy	Graham Stephens	Pat Martin
CW Robinson Memorial Trophy	Peter Maple	Rody Quinn & Chris James
JESS MCNALLY MEMORIAL TROPHY	Marion Parsons & Graham Bishop	Laura Birchmore & Matthew Nakone
SPRING VALLEY – INDIVIDUAL	John S Ridley (Grange)	Mark Ricco (Spring Valley)
MIDWEEK SUMMER CUP	Robert Ryan & Henry Hewett	Terry Webber & Colin Westmore
MIDWEEK WINTER CUP	Terry Webber & Colin Westmore	Rod Smith & Gary Dodd
COMMONWEALTH BANK MIXED EVENT	Luciana & Paul DiMella	

General Manager's Report 2007

Another very busy and productive year has passed quickly by! It has also been a very rewarding 12 months, as our two major projects were completed with very pleasing results. The front 9 holes on the West Course opened for play in late February 2007, with the overall result of the West Course upgrade very pleasing. The Wetlands Aquifer Storage and Recharge System was opened in February 2007 by Federal Minister for the Environment and Water Recourses, Malcolm Turnbull.

Wetlands Aquifer Storage & Recharge System

Construction of the Wetlands was completed late in 2006, with work on the pumping and communication systems continuing well into 2007. At the time of writing this report, there are still approximately 8,000 fresh water plants to be planted, with the timing of these final plantings dependent on some rainfall and fresh water entering and flushing through the system. If all goes to plan, the Wetlands plants will mature over the coming summer and next autumn with the Aquifer Storage and Recovery (ASR) component to be operational during winter 2008.

As we are now experiencing the second consecutive drought year, the importance of this project in securing our future supply of water has again come to the fore. The benefits of the Wetlands project include;

- A major reduction in water use from the locally stressed aquifer.
- Immediate groundwater pressure improvement.
- Contribution to long-term salinity reduction in the aquifer.
- A sustainable irrigation water supply for the Club.
- A 12% reduction in stormwater inflows to West Lakes lake, the Port Adelaide River and the Barker Inlet, and from there the Gulf St Vincent.
- An aesthetic asset that increased the amenity of the Club.
- An increase in biodiversity and an opportunity to recreate native aquatic habitats.
- Demonstration of best practice in environmental protection and water conservation.
- A facility that can be used by local schools and the community to increase awareness of water conservation and ecological issues.
- An improved visual aspect to Frederick Road.

Numerous trees and shrubs have now been planted around our East Course Maintenance Facility and boundaries, not previously planted out with the Wetlands works and the esthetics of this area will continue to improve.

World Amateur Teams Championships

Planning of the Eisenhower and Espirito Santo Trophies continues with the staging of these prestigious events just over 12 months away. An Organising Committee has been formed for the event and Grange is represented by President Wayne Owen and myself, with meetings being held on a regular basis.

The International Golf Federation has scheduled their "one year out" visit to Adelaide the week commencing Sunday 28 October 2007. This visit is designed to cover all facets of the event, from accommodation for the teams, to condition and presentation of the golf courses. We are looking forward to this visit and certainly believe that Grange will meet all expectations.

Staff

During the past year we had a number of staff changes in various departments, perhaps the most significant was the appointment of Richard James as Course Superintendent. Richard, in turn, appointed a new Assistant in Shaun Bilston and new Mechanic/Workshop Manager in Will Sadler. With Richard and his new team in place, I am certain the improvements will continue to the presentation of our golf courses.

Terrisa Romeo joined the Administration team as Trainee Golf Administrator and Robert Vincekovic moved to the position of Assistant Accountant. Members would have also seen Administration Staff assisting upstairs in the Members Lounge from time to time as we endeavor to add "multi skilling" to the team.

Lynda Fenton was appointed to the position of House Manager and Toulia Giannopoulos as Assistant House Manager. There were also a couple of changes in the kitchen during the year with James Pain being appointed as Head Chef.

Thank you to all staff for their efforts throughout the year and also to our Professional, Warren Mercer and the Pro Shop staff for their friendly service and assistance.

General Manager's Report 2007

Membership Report

Applications for membership remained closed during the year, except for member's relatives and a limited number of other opportunities. Registration of interest from potential new members was accepted and a database of prospective new members was compiled to be given the first opportunity when the waiting list re-opens.

With the major course works now complete, the waiting list will be re-opened with a marketing campaign. With traditional golf club memberships in decline, it is vital to our future to be able to attract new members and maintain a healthy waiting list.

The planned reduction in member numbers continued over the past financial year, with the playing categories being reduced by 87 members. This brings the total reduction to 172 members over the past two years. The playing reduction will be slowed down this current year, with an expectation that 64 new members will be inducted into the Club. It is very pleasing to report that we only had 55 resignations from playing categories this year. This is a 50% reduction on the average resignations over a number of years, and can be attributed to the West Course redevelopment and improvement in the presentation of our courses.

Category – Playing Rights	Budget		
	05/06	06/07	07/08
Category 1 – 7 day	875	873	875
Category 2 – 6 day	817	768	725
Category 3 – 5 day	220	189	160
Category 4 – junior under 25	114	110	107
Category 5 – absent/non-playing	395	415	415
Category 6 – corporate	19	18	18
Category 7 – fully paid	15	15	15
Category 8 – social	33	34	30
Honorary Life / Life	4	4	4
Total	2492	2426	2349
Total playing	2064	1977	1904
Total non-playing	428	435	445

Volunteers

We have two regular volunteer groups, who work every Tuesday afternoon. They really enjoy helping the Club and have saved the Club considerable money over several years.

Charlie's Angels consisting of Jim Sinclair, John Moretti, John Turnbull, Wally Cousins, Doug Jones, Jeff Davy, Ron Sarti, Robert Bowden and Mark Richards have completed a number of projects throughout the year including;

- Painting the men's locker room wet area and recoating dividers.
- Building sheds around the Wetlands Pumping Station and bore at 7th green.
- Painting the Water Storage Tanks.
- Painting the Main Implement Shed.
- Constructing lock up storage for course equipment.

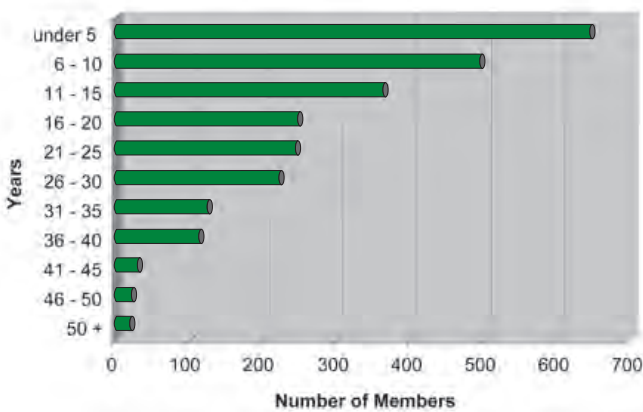
Reg Goater is another Tuesday volunteer who assists by picking up papers and rubbish from our courses. The other Tuesday volunteer group assists on the golf courses, mainly with vegetation work and has been mentioned in the President's Report.

Thank you to President Wayne Owen and the Committee, who are a very progressive group with much achieved over the past year, and I am certain much more to be achieved in the future.

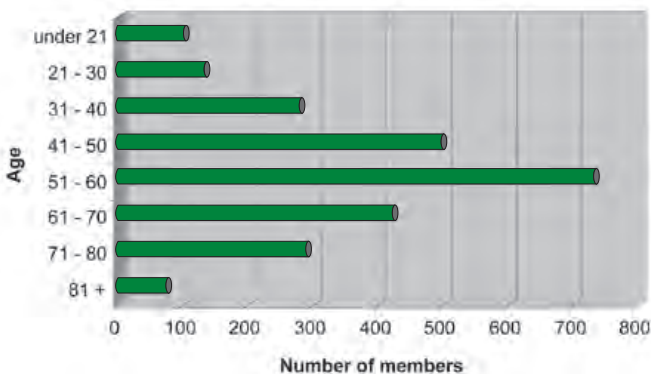
Barry Linke

General Manager

Years of Membership



Membership Demographics



Finance Manager's Report 2007

Overview

The last year has been extremely busy with capital works on both courses, but operationally we have remained steady with the continuation of normal revenue streams.

The operating result for the 2006/07 financial year was a **profit of \$19,529** (budget was a loss of \$319,367). On a cash basis, we achieved a cash operating surplus of \$677,351. This is a positive result for the Club which signifies the strong financial management of the Club, and provides a solid foundation for the future.

We continue to strive for "continuous improvement" in operating practices with fresh ideas from our new management team and the encouragement and guidance of Committee. Our actions are beginning to have a significant impact on the bottom line, with the 2007-08 year tracking well against budget, with an **expected profit in excess of \$200,000**.

The surplus against budget for the 2006/07 year was partly due to a saving in depreciation expenses. Our Auditors recommended that we review our asset register and alter depreciation rates to better reflect the useful lives of our equipment based on our experience at Grange. This depreciation saving was offset by the write-off a number of assets that had passed their economical useful life.

Cashflow

The Committee maintained a stable debt level throughout 2006/07, with a debt level of \$3.3 Million at 30th June 2007, inside the debt level of \$3.55 Million projected in the 10 year plan.

We have provided an updated 10 year cashflow forecast in this annual report to assist members see over the horizon. Our financial position remains stable and the outlook is positive for the long term. The updated forecast sees strong servicing of debt in future years, resulting in debt reduction to approximately \$1 Million by June 2013. Club Auditor, Dean Newbery have again completed an independent review of the cashflow statement prepared by management and verified the formula and integrity of the spreadsheet calculations and reviewed the assumptions supporting the cashflow forecast.

The following observations are made about the operating performance for the year ended 30th June 2007;

Membership Subscription Fees

Actual \$2,689,156 Budget \$2,671,357 Last Year \$2,634,042

The Club had 138 resignations and transfers to non-playing categories this financial year, which was in line with our expectations. While the budget allowed for only 15 new member inductions, the Committee agreed to decelerate the planned reduction of 125 members this year after a flurry of over 100 enquires following the completion of the re-mastered West Course. In total, 72 new members were introduced to the Club in the 2006-07 financial year, contributing \$232,953 in entrance fees.

To the end of August 2007, we have inducted a further 40 members, each having paid the new joining fee of \$6,000. Your Committee unanimously agreed to increase the joining fee to reflect the significant investment recently made to revitalise and improve the reputation and standard of the facilities.

Golf Activities Income

Actual \$626,211 Budget \$649,895 Last Year \$576,995

Our income from golf activities and in particular green fees increased considerably over last year, with visitor green fees up 6% and corporate golf green fees up 20%. We were pleasantly surprised by the increase in visitor green fees. (We had budgeted a 5% reduction due to the amount of redevelopment work being completed on both courses).

Corporate Golf green fees increased due to our co-hosting of the World Police and Fire Games in February 2007 and hosting of the Fire Brigades National Golf Championships in October 2006, both of which contributed significant green fee income for the Club.

Hospitality – Food and Beverage

Actual \$147,281 Budget \$195,000 Last Year \$148,905

The full year operating result for hospitality was a combined trading surplus of \$147,281 prior to the internal allocation of overhead costs. For the first time this year we have analysed the previously unallocated overhead costs to run the Club, including administration and clubhouse costs, and have now begun to allocate these costs against the different operating areas of the Club. Previously your annual membership subscriptions have paid for these overhead costs and subsidised members food and beverage services.

The following percentage share of overhead costs were allocated against hospitality for the 2006-07 financial year:

Finance Manager's Report 2007

- 45% share of clubhouse expenses, including cleaning, electricity, linen, repairs, supplies, waste removal expenses
- 30% share of total administration expenses
- The total hospitality result after the allocation of overheads is a loss of \$333,392. A number of changes have been implemented that will ensure we work towards a break-even result. Refer to the separate Hospitality Report for further details.

Course Expenses

Actual \$2,038,698 Budget \$2,125,043 Last Year \$2,095,058

Our course operating structure and annual maintenance programmes have been reviewed over the last year, with the completion of the West Course Redevelopment and the appointment of our new Course Superintendent Richard James.

The following is a summary of some major cost variations compared to last year:

- \$40,000 saving in the use of chemicals and fertilizers on our courses, in particular the West Course greens. We expect these savings to continue in coming years, a major benefit of a green replacement programme.
- \$40,000 saving in tree removal costs thanks to the substantial work completed by our volunteer group on both courses.
- \$10,000 saving in irrigation maintenance. With the completion of the new irrigation system on the East Course, we are now seeing ongoing savings from the repair costs previously incurred with the old system.
- An additional \$47,500 was spent on electricity costs this year. The new West Course required substantial additional watering, including day time watering at peak rates. (This increase is a one off cost to the Club, with a new pumping system and more efficient watering programmes being installed by Richard James in the current year).
- \$124,397 or 22.5% write-off of West Course Irrigation System previously installed in 1999. With greens relocated and new tees built, we were required to reinstate a considerable amount of irrigation damaged or removed during the excavation works.

Clubhouse Expenses

Actual \$419,233 Budget \$562,215 Last Year \$595,099

The saving of \$175,000 over last year is largely due to a \$157,826 saving in depreciation following the asset register review noted above. In addition there was:

- \$10,000 saving in repairs and maintenance due to the assistance from the Charlie's Angels volunteer group who have completed numerous jobs for the Club.
- \$10,000 saving in electricity due to new reduced contract rates negotiated with AGL from 1st July 2006.

Administration Expenses

Actual \$833,652 Budget \$808,827 Last Year \$775,951

Generally, administration expenses were in line with budget, with wages and related costs down 1% on last year (2.7% saving against budget) due to efficiency gains in the office. There were a number of other varying expense items that are detailed in the financial statements.

Summary of Capital Expenditure

Buildings \$72,640
New Deli (Members Bar), Storage Shed & Container – West Compound

Course Construction \$1,292,000
West Course Redevelopment

Course Irrigation \$220,516
West Course Irrigation System, relocation of Bore Shed – 4th West

Furniture & Equipment \$30,768
Hot & Cold Display Cabinets (New Deli), Glass Washer, Office Furniture, Kitchen Equipment including Mixer, Toaster & Robot Coupe, Sony TV (1/2 donated)

Hardware & Software \$15,504
Network Server, Notebook & Desktop Replacement

Plant & Equipment \$352,952
8 x Golf Carts, 2 x Sidewinder, Roughcutter, Lely Roterra Machine, Holden Rodeo Ute, 3 x Toro Workman, 4 x Greensroller, Fencing – Wetlands, Toro Sand Pro, 2 x Hydraulic Tipping Trailer, Turfcutter.

Capital Works in Progress \$479,042

Wetlands, 4th Hole – East Course, Practice Fairway, Irrigation – 4th & 5th East

I would like to thank the Committee for their encouragement and support, in particular Tom Hannah for his work in reviewing our hospitality area and Wayne Owen whose business experience has brought a new focus to our operations and financial management.

Brett Lewis

Finance, Administration & House Manager

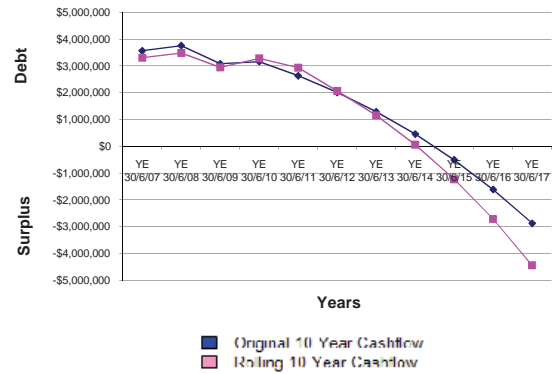
Cash Flow Forecast

	budget	actual				
	YE 30/6/07	YE 30/6/07	YE 30/6/08	YE 30/6/09	YE 30/6/10	YE 30/6/11
Opening Debt						
Bill Facilities & Overdraft	2,432,929	2,432,929	2,400,357	2,485,117	1,948,646	2,288,306
Member Investments	824,778	824,778	910,020	1,000,000	1,000,000	1,000,000
	3,257,707	3,257,707	3,310,377	3,485,117	2,948,646	3,288,306
Cash Receipts						
Entrance Fees	84,773	232,953	198,636	256,803	280,274	424,465
Subscriptions	2,671,357	2,689,156	2,808,258	3,011,204	3,189,069	3,332,577
Other Operating Income	2,547,801	2,618,154	2,652,422	2,760,199	2,892,607	3,006,311
Total Cash Receipts	5,303,931	5,540,263	5,659,316	6,028,206	6,361,950	6,763,353
Cash Payments						
Total Wages (including on-costs)	2,194,810	2,336,109	2,179,790	2,333,911	2,427,267	2,524,358
Other Operating Costs	1,599,958	1,573,591	1,633,416	1,713,574	1,792,682	1,920,509
Interest Paid	275,439	246,052	278,943	278,261	270,032	281,877
Capital Projects						
- Asset Replacement Programme	466,000	483,881	389,000	375,000	393,000	411,720
- Special Projects (refer separate table)	1,820,000	1,979,542	510,000	100,000	1,100,000	525,000
Total Cash Payments	6,967,047	7,326,335	5,634,056	5,491,735	6,701,610	6,410,838
net changes in assets/ liabilities	1,351,985	1,908,624	(200,000)			
Total Cash Surplus / (Deficit)	(311,131)	122,552	(174,740)	536,471	(339,660)	352,515
Closing Debt/ (Surplus Cash)						
Bill Facilities & Overdraft	2,568,838	2,400,357	2,485,117	1,948,646	2,288,306	1,935,791
Member Investments	1,000,000	910,020	1,000,000	1,000,000	1,000,000	1,000,000
	3,568,838	3,310,377	3,485,117	2,948,646	3,288,306	2,935,791
CLOSING DEBT AS PER CASH FLOW FORECAST PRESENTED IN 2006 ANNUAL REPORT (adjusted for subscription timing change)						
		3,568,838	3,758,399	3,081,622	3,161,227	2,634,924
List of Assumptions						
Inflation Rate %	4.00%	1.80%	3.00%	4.00%	4.00%	4.00%
Subscription Increase (up to 7.5% max)	7.50%	7.50%	7.50%	7.50%	7.50%	4.50%
Interest Rate % - bank bills	7.75%	8.00%	8.50%	9.00%	9.25%	9.50%
Interest Rate % - member investments	6.50%	6.75%	7.00%	7.50%	7.75%	8.00%
resigned members	140	138	120	100	75	75
new members inducted	15	72	64	65	45	75
total membership reduction to date	-200	-179	-235	-270	-300	-300
Special Projects						
	budget	actual	budget			
	YE 30/6/07	YE 30/6/07	YE 30/6/08	YE 30/6/09	YE 30/6/10	YE 30/6/11
East Course Irrigation System	145,000	124,742	0	0	0	0
Wetlands Project (inc 4th/ 5th East)	675,000	823,148	60,000	85,000	0	0
West Course Redevelopment	725,000	895,367	0	0	0	0
Practice Fairway	125,000	119,679	0	0	0	0
Pump Station Upgrade (East & West Course)		5,545	200,000			
Ist Tee East/ Practice Green Complex			25,000			
Men's Locker Room - Abolition Block	150,000	0	5,000	0	0	0
Carpark Redevelopment (including front gate)	0	11,060	45,000	0	0	400,000
East Course Redevelopment (13th, 18th)			150,000			
Course Maintenance Compound	0		25,000	0	1,000,000	0
Projects funds yet to be allocated	0			15,000	100,000	125,000
Total Project Funds Projected	1,820,000	1,979,542	510,000	100,000	1,100,000	525,000
Total Project Funds Detailed in 2006 Annual Report		1,820,000	450,000	100,000	850,000	250,000

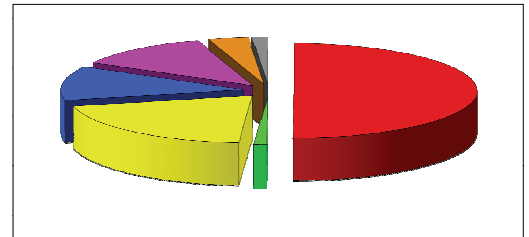
Cash Flow Forecast

YE 30/6/12	YE 30/6/13	YE 30/6/14	YE 30/6/15	YE 30/6/16	YE 30/6/17
1,935,791	1,062,616	158,909	(940,526)	(2,224,269)	(3,714,926)
1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
2,935,791	2,062,616	1,158,909	59,474	(1,224,269)	(2,714,926)
460,351	494,558	550,496	574,143	598,854	624,678
3,482,543	3,639,257	3,803,024	3,974,160	4,152,997	4,339,882
3,124,564	3,247,546	3,375,448	3,508,466	3,646,804	3,790,677
7,067,458	7,381,361	7,728,967	8,056,769	8,398,656	8,755,237
2,625,332	2,730,345	2,839,559	2,953,142	3,071,267	3,194,118
2,002,060	2,087,431	2,176,671	2,269,977	2,367,558	2,469,637
233,433	150,082	50,115	(68,808)	(207,291)	(368,218)
431,189	451,436	472,494	494,394	517,169	540,857
125,000	250,000	250,000	250,000	250,000	250,000
6,194,283	6,477,655	6,629,533	6,773,026	6,907,999	7,032,061
873,175	903,707	1,099,435	1,283,743	1,490,657	1,723,176
1,062,616	158,909	(940,526)	(2,224,269)	(3,714,926)	(5,438,101)
1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
2,062,616	1,158,909	59,474	(1,224,269)	(2,714,926)	(4,438,101)
2,015,546	1,296,545	459,835	(503,322)	(1,606,085)	(2,867,551)
4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
9.75%	10.00%	10.00%	10.00%	10.00%	10.00%
8.25%	8.50%	8.50%	8.50%	8.50%	8.50%
75	75	75	75	75	75
75	75	75	75	75	75
-300	-300	-300	-300	-300	-300
YE 30/6/12	YE 30/6/13	YE 30/6/14	YE 30/6/15	YE 30/6/16	YE 30/6/17
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
125,000	250,000	250,000	250,000	250,000	250,000
125,000	250,000	250,000	250,000	250,000	250,000
250,000	250,000	250,000	250,000	250,000	250,000

Comparison of Debt Level (Rolling Cashflow v Original Cashflow)

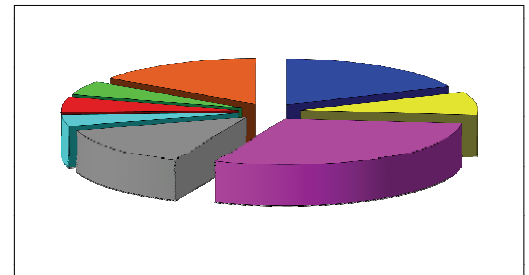


Income Split (Based on 2008 Operating Budget)



Subscription Fees	50.1%
Other Membership Income	1.1%
Hospitality - Members	20.2%
Hospitality - Non-Members	11.7%
Golf Activities	12.0%
Entrance fees	3.5%
Other Income	1.4%
	<u>100.0%</u>

Expenditure Split (Based on 2008 Operating Budget)



Hospitality - Members	18.4%
Hospitality - Non-Members	8.2%
Course	29.9%
Administration	13.7%
Golf Activities	4.1%
Clubhouse	5.4%
Interest	5.0%
Depreciation	15.2%
	<u>100.00%</u>

Hospitality Report 2007

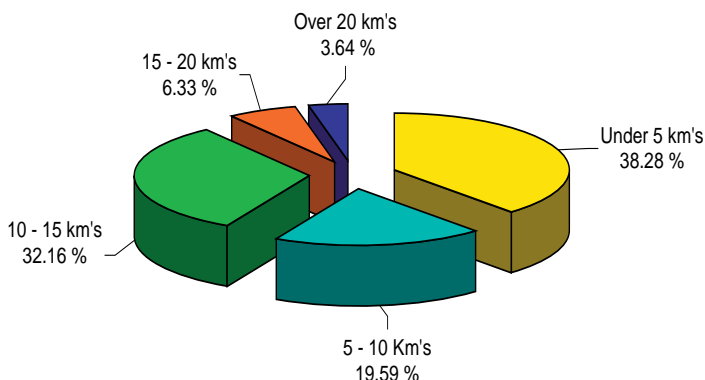
The last year has been a real challenge for hospitality as we reviewed services offered and considered an overall philosophy for member hospitality services. The new deli commenced from October 2006 and there were many other operational changes introduced throughout the year.

As detailed in the Finance Report, we have for the first time analysed the previously unallocated overhead costs to run the Club, including administration and clubhouse costs and are now in a position to accurately allocate these costs against the different operating areas of the Club.

This exercise made us aware of the extent of losses being generated through our hospitality services, and confirmed the need to re-define our hospitality philosophy and implement a number of changes that in their entirety will allow us to maximise profit from external functions and to work towards a break-even result for member hospitality services.

Membership Demographics

Membership demographic analysis recently completed (refer graph below) shows a greater number of our membership base are now living outside 5 kilometres of the golf club. While 38% of members live in the surrounding suburbs (between Henley Beach, West Lakes and as far East as Flinders Park), this leaves 62% of members who live further than 5 kilometres from the Club. Our future hospitality model needs to suit today's member and their busy lifestyles.



Member Services Philosophy

“The overall philosophy for member services has been re-defined to focus on daytime hospitality services that revolve around our core activity of golf and special member functions.”

The first change implemented was the permanent closure of the restaurant on Friday and Saturday nights. We continue to open on Friday night for twilight, Sunday night for Commonwealth Bank and other golf events as scheduled, including a Thursday night twilight competition to be run this summer.

The decision to close the restaurant was not taken lightly and was made for a number of reasons detailed in a comprehensive notice to members available on the Club website. The most significant factor was that both Friday and Saturday nights have not been well patronised for a number of years and operate at a loss of around \$500 each week.

We are focusing on making your pre and post golf drinks more enjoyable. “We want your experience a convivial atmosphere to encourage you to come to your Club socially more often.”

Special Member Events

Our plan for the future is to develop a calendar of special member events and fun theme weekends. All events will be marketed in newsletters, on notice boards, website, and via email with the aim of attracting a minimum of 100 guests for each event. We recently held a successful “Roast Carvery” and have a Mexican Night organised for 19th October. We encourage all members to attend these special events and join in the fun.

The Grange Deli

We have been focusing a lot of energy on the new deli, first introduced in October 2006. While I admit it has taken some time to get right, we now have a comprehensive range of hot and cold food offerings and quality espresso coffee that members are looking for. Our sales from this outlet continue to grow and now make up more than 50% of all daily food sales.

For all those members who don't frequent the clubhouse, I certainly encourage you to do so and avail yourself of the deli offerings. The deli operates 7 days a week and has quick casual food including a range of fresh baguettes and foccacia's, toasted sandwiches, frittata, mini pizza's, fillo pastries, salads, soup, fresh cakes, biscuits, and the normal range of tea and coffees available at any café.

Hospitality Report 2007

Staffing

New Head Chef James (Jimmy) Pain has settled into his position with a lot of enthusiasm. House Manager Lynda Fenton has brought a practical approach to the Club that has resulted in much better service levels.

Elle Eckermann also took on the role of Function and Events Manager after three years working in Administration, freeing up Toulia Giannopoulos to concentrate on the hands on delivery of service and training and developing new staff.

Lynda, Toulia and James are working hard at improving our service standards. We are actively seeking enthusiastic staff and introducing new training systems to ensure our current staff place a greater emphasis on service levels. We want our staff to serve you with a smile, know your name and what your favorite food and drinks are! Please help them by getting to know them and having a laugh with them!

Again we remind you in today's market good staff are very hard to find so please help us retain them.

External Functions

Our external function business, including Weddings, Seminars and Corporate Golf events continue to generate significant income for the Club. At all times we aim to minimise their influence on members' comfort, but please realise they remain important to the Club in terms of their financial contribution.

Our new Function & Events Manager, Elle Eckermann has developed new pricing structures and strong systems to ensure we deliver first class services to our clients, while delivering maximum profitability to the Club. Our forward sales for functions are strong and we continue to improve our efficiencies and hence profitability from these events.

Summary

Thank you to members for their patience and understanding throughout this year of change. Food and beverage is a challenge at our Club with such a diverse range of members. We continually review our service to ensure we can satisfy as many members as we can in a cost effective manner.

We need your support with the changes we introduce, and hope to see you utilising the quality hospitality services on offer at Grange.

Brett Lewis

Finance, Administration & House Manager

Course Report 2007

My first 8 months here at Grange have flown by, with a great deal of work being carried out in that time. The front 9 of the West Course was completed and brought back into play, a refurbishment of the practice facility including a construction of a new chipping green has been carried out and the 4th hole on the East Course now has a new green and tiger tee fitted in around the Wetlands project that is nearing operational stage. The next 12 months are very important to the development of our courses heading into the World Amateur Teams Championships, as we strive to present international standard golf courses and promote Grange as a world class facility.

New Works

The front nine holes on the West Course are progressing well since opening in late February. All turf surfaces have made it through the cooler months quite well, and we are looking forward to a strong period of growth in the warmer months to establish all turf surfaces. Regular dusting with sand to match growth rates will be our major thatch control method on the greens, as well as frequent mowing, currently at a height of 4mm. Unwanted weeds including Poa and Couch are being removed via plugging and sodding as they are identified and I would encourage all members to remove any small poa plants they see as well as repairing any pitch marks you may come across.

The new 4th hole on the East Course is also progressing well, with the green, surrounds, fairway and tiger tee establishing well and due to be opened in October. The turf from the old 4th green was harvested and used to patch areas on the 3rd, 5th, 11th and 14th greens with the remainder growing on the 2nd nursery to be used for future repairs if necessary. All other East Course greens have a good cover of turf, and are in reasonable health. As we move into summer some work with growth retardants will be carried out to reduce the poa evident in the greens while retaining an acceptable putting surface. I have every belief that these applications will be effective, as all pesticides that have been applied in the past 8 months have been very effective.

Our new practice facility is taking shape, with well established couch/ryegrass target greens giving golfers something to aim at. The practice fairway is now fully irrigated, and the new A1 bentgrass chipping green and bunker complex is now open. The mounds surrounding the fairway have been seeded with fescue, and will have screening trees planted on the back side of them in the future.

Wasteland Areas

Planting of the wastelands has begun with indigenous grasses including varieties such as Tall Spear Grass (*Austrostipa nodosa*), Soft Spear Grass (*Austrostipa mollis*), Common Wallaby Grass (*Austrodanthonia caespitosa*), Knobby Club Rush (*Isolepis nodosa*), Short Stem Flax Lilly (*Dianella brevicaulis*) and Emu Grass (*Distichlis distichophylla*) among many others propagated for us by Greening SA. All of the species being used are found growing naturally in the area.

We are currently working with Greening SA on a grant application to plant the western boundary of the golf course with indigenous trees and shrubs. A planting such as this will provide a wonderful backdrop for the course as well as promoting species of trees and shrubs that were growing on this land long before the golf courses were here.

Working bees attended by many members have been a great success, not only planting new grasses but clearing unwanted varieties such as Veldt Grass and Seaton Creeper along with removing tree roots. Roping off of these and other selected areas will continue at various times of the year to improve the chances of these fragile environments surviving the traffic of a busy golf course and we are looking to extend the areas of natural wasteland roughs throughout both of our courses.

Wetlands

Planting of aquatic plants throughout the wetlands continues, with the aim of having the wetland operational during winter next year. Indigenous trees and shrubs have been planted around the East Maintenance Facility to screen it from the 4th fairways and road, which will add greatly to the visual appeal of the wetland area in the future.

Irrigation

A full irrigation inspection of both golf courses is being carried out, where we check the various details of each sprinkler head to ensure correct information is entered into the computer operating system. Individual programs will also be changed to improve the method in which we apply water, for example, with the fairways we are identifying the higher, drier areas that obviously require more water than the lower areas and watering them separately, rather than treating everything the same. All of these steps will help us to be as efficient as we can in the use of our irrigation water.

Course Report 2007

Plans for the upgrade of both the East and West Course pump stations are well underway, with work expected to be completed by mid December. Installation of Variable Speed Pump sets will take place, replacing the old style fixed speed pumps that created enormous stress on our underground pipe network, leading to many pipe blowouts. The new pumps will also remove the need for manual switching of the East pump shed, and eliminate the bore tank from overflowing, something which I'm sure many members have seen from time to time. Overall the new pumps will lead to substantial cost savings in electricity, repairs and down time.

Bunkers

Bunker presentation has changed slightly from what most members would be familiar with. We are now using natural fiber brooms to brush entire faces, and we are looking to hand rake all of the greenside bunkers on Tuesdays and Fridays. Larger fairway bunkers including the vast wasteland bunkers on 1, 3 and 7 will be raked with the machine. The wasteland bunkers will be encouraged to look as natural as possible, with only minor repair work on the faces and sand redistribution carried out when deemed necessary in an attempt to retain the 'windswept' look that bunkers of this nature would naturally exhibit.

The common theme we are aiming for in the bunkers is steep and firm faces that resist balls plugging in them, and bottoms slightly shaped to the middle of the bunker to encourage balls to finish in a fair lie. The vast majority of bunkers have had this work carried out initially, however it is an ongoing process to maintain them in this fashion, particularly at a club where there is a great deal of golf played.

Staff

All of the new staff that have been employed in recent times have fitted in well. Our Assistant Superintendent Shaun Bilston has brought tournament preparation and course construction experience that is of great benefit to the courses and staff. Our Head Mechanic Will Sadler is working through our list of plant, maintaining it in the appropriate fashion. A new cylinder grinding package has assisted Will greatly in recent times, and in the future will provide high quality cutting equipment which is an essential requirement of fine turf surfaces.

There have been significant changes in staff during the past 12 months, and particularly so in recent times, with staff taking up opportunities to work in other areas. We are looking to employ people who are dedicated and committed to providing the highest quality golf courses that will see us regarded highly throughout the golfing community. This attitude currently exists in the vast majority of our staff, and is an attitude that we are always looking to build upon.

In closing I would like to extend my thank to president Wayne Owen and all of the committee, Barry Linke, Brett Lewis and the administration staff, members and the volunteers of the Grange Golf Club for the welcome that has been extended to me during my initial stages at the club. The positive attitude exhibited by all has made it a pleasure to be involved, and I look forward to the challenges of the coming 12 months and the opportunity to showcase The Grange Golf Club, enhancing its standing and reputation as one of the finest clubs in Australia.

Richard James

Course Superintendent

Ladies Report 2007

Lady President's Report

As my term as Lady President comes to a close on the 30 October I wish to thank all of the lady members for their wonderful support.

The ladies have had a very full and rewarding calendar this year. I would like to thank our sponsors for their very generous support and ask the members to support these companies where possible:

- Warren Mercer for his help with the pennant teams and the wonderful prizes he supplied to the winners and also for the special ladies day
- To Budget Rent a Car (Denise and Peter Murphy) for our opening day which raised \$2,170 for childhood cancer
- May-Brith and Ove Gustafsson - mixed drawn event
- United Safety Pty Ltd (Sue and Bruce Hedley) - Mixed Canadian Foursomes
- Victoria Denley (Denvic Conveyancer Services) - Ladies Sunday Foursomes
- Phil Hoffmann (2 gala days)
- City Mazda (2 days)
- L'Oreal (2 days)
- Links Lady Bay
- Ray White Norwood (Janet and Max Wundersitz),
- Areta Taylor Memorial Day

Thank you to Barry Linke and the office staff for their support and help, to Charlie's Angels for the many duties they have done for the Ladies Committee from being Santa to all sorts of repairs, to Lynda Fenton thank you and the staff in the bar and bistro. Also to James Pain and the kitchen staff, we now have far more choices and variety of food.

To Sue and the Ladies Committee thank you for your friendship and support.

To Marie Bridge who has left Grange and started a new life in Victoria, I wish you all the best and thank you for your many years as handicap manager.

Since the time my duties commenced there have been many changes both on the golf course and in the clubhouse, it has been very challenging at times but we are very privileged to have such a fantastic Club and two courses. I have enjoyed my years on Committee in the role of Lady President and I encourage any members who have the time to consider standing. To the new Committee best wishes for the coming year have fun and enjoy.

Pam Owens

Lady President

Lady Captain's Report

The Ladies 2007 season is quickly coming to a close and my term as Captain will also come to a close on October 30th. Our calendar as usual has proved to be very challenging and extremely busy.

Once again there have been changes with the Match Committee deciding to split B grade into two divisions to try and even the players on each course on Tuesdays. The West Course traditionally proves to be the most popular course, and with players continually requesting to play there we have had some very interesting results on the East, at times only 25 players have contested B and C Grades with as little as 5 players in one grade. This at times proved to be a difficult task at the end of the day for the Match Committee. To try and combat this problem we now have A Grade, B1 (19-24), B2 (25-28) and C Grade, and each of these grades will play on their designated course. If this fails to combat the problem we may find ourselves with the prospect of having only once course available for ladies on Tuesdays.

All of our challenge matches have now been finalised for 2007 and although we were not always successful I know that all the ladies that participated enjoyed themselves immensely. The camaraderie that has been built over the years is testament that you don't necessarily have to bring home the trophy to be winners. I would like to thank all of the players that participated in these matches during the year, I am very proud of all of you.

Our Pennant I and II teams as well as our Cleek and Hickory Interclub teams had limited success this year. Our Cleek and Hickory teams, although not faring well in the winning stakes, gained valuable experience by playing at clubs they may not have had the opportunity to visit before. Grade II were very unlucky finishing second in their division by just one point. We have a very strong Pennant II squad, they are all both talented and committed and I know that success for them is just around the corner. Grade I Pennant team started really well but injuries again dashed our hopes. The strong start though proved that we have got what it takes to win at this level and I am sure better things are to come.

A special congratulations has to go to Louise Glennon who won the Ladies Club Championship for the third successive year in 2007. Louise is a very talented golfer and it is great to see her do well.

It is also worth a mention that we have three players nominated for the South Australian State Squad this year. Louise Glennon, Melissa Wundersitz and Cassandra Wee. I know that although there is a lot of hard work involved all of these girls will give it their best.

Ladies Report 2007

After quite a few months of applications and correspondence The Grange Golf Club Development Foundation was approved by the Australian Sports Foundation. This will give Grange the opportunity to assist our talented golfers as well as encourage and develop aspiring junior golfers. It will also give us the opportunity to encourage young people to play our sport and in so doing maintain the viability of golf in the future. Many clubs, not only golf clubs, have similar projects in place and they have proved very successful. It is a great initiative and one that I hope will be supported by all of our members.

We also have new event this year called The Grange – Lakes Invitational in which we have ladies coming from the Lakes in Sydney to stay and play for a perpetual trophy. This will be a bi-annual event and next year the ladies from Grange will visit the Lakes. The concept has proved to be very popular and we have 8 ladies from the Lakes and 20 from Grange to contest the inaugural event which will be played in November. This idea has been formulated and driven by Lynne Veness who is a past member of the Lakes and I am sure it will be a huge success – well done!

I would like to thank Barry, Brett, Elle, Leah, Robert and Terrisa for all of their support during the year. Their assistance is invaluable to me and I value the friendships that I have formed with them over the last two years.

To Richard, our Course Superintendent and Shaun our Assistant Course Superintendent and all of the fantastic greens staff a big thank you. It is not easy keeping two courses with such vast surrounds in perfect shape, but you all have done it easily and are to be commended.

To our Club Captain Tony Bourne thank you for your support. You have proven to be a great ally of the ladies watching most Grade I Pennant matches and always offering your services when required. You have both supported me in my endeavours as Lady Captain and offered advice on difficult issues when requested. That level of support is priceless.

I would also like to give a special thanks to Louise Dearing for being our Zone Councilor for the past two years and for her representation of Grange on the Selection Committee for WGSA, a difficult and time consuming task approached with much professionalism by Louise. Your efforts have been much appreciated.

The role of Lady Captain has been an extraordinary experience and one that I will treasure.

To the members of the Ladies Committee, Pam Owens, Deb Middleton, Gaye Stephens, Marg Cummins, Helen Osborn, Lynne Veness and Marie Bridge my thanks for the last two incredible years.

I would also like to wish Deb as incoming Captain and Gaye as incoming President every success for the coming years and to my fellow members good golfing!

Sue Hedley

Lady Captain

MAJOR EVENT WINNERS 2006

Club Champion

Louise Glennon

B Grade Cup

Helen Hood

C Grade Cup

Valerie Shaw

Veterans Champion

Margaret Smibert

Foursomes Champions

Val Mattsson & Teresa Lee

B Grade Foursomes Champions

Kris Tapp & Sandy Furnell

C Grade Foursomes Champions

Gerry Richmond & Susan Blomfield

Sunday Foursomes

Jan Hinkly & Anne Coats

Grange Salver

Sam Holt (Royal Adelaide)

Rosemary Reeves U21 Event

Sarah King (Royal Adelaide)

Junior Girls Champion

Cassandra Wee

Shyllie Rymill Foursomes

West Course

Deb Middleton & Marg Cummins

East Course

Marianne Young & Helen Sanderson

Mixed Canadian Foursomes

June & Gordon Helliwell



THE GRANGE GOLF CLUB INCORPORATED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

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COMMITTEE REPORT FOR THE YEAR ENDED 30 JUNE 2007

Your Committee Members submit the financial report of The Grange Golf Club Incorporated ("the Club") for the financial year ended 30 June 2007.

Committee Members

The names of Committee Members throughout the year and at the date of this report are:

Mr C Wayne Owen	President	
Mr Kerry M McGorm	Vice President	
Mr Anthony J Bourne	Captain	
Mr David Brooker	Vice Captain	
Mr Peter J Bridge	Member	
Mr Geoff A Ferris	Member	
Mrs Sue Hedley	Member	
Mr Terry M Martin	Member	
Mr Peter F Spence	Member	
Mr Chris Watson	Member	
Mr Tom Hannah	Member	(Resigned - 21st June 2007)

Principal Activities

The principal activities of The Grange Golf Club Inc. during the financial year were the provision of recreational golfing facilities.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The net surplus for the year amounted to \$ 19,529 (2006 : \$ 311,630).

Matters subsequent to the end of the Financial Year

No matter or circumstance has arisen since the end of the year which significantly affected or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in subsequent years.

Benefits received by Board Members

In accordance with section 35(5) of the Associations Incorporation Act, 1985, the Committee of the Club, hereby states that during the year ended 30 June 2007:

- (a) - no committee member; or
- no firm of which the committee member is a member; or
- no entity in which the committee member has a substantial financial interest,
has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and the Club, except as stated in Note 22 to the Financial Statements.
- (b) no officer of the Association has received directly or indirectly from the Association any payment or other benefit of pecuniary value.

Signed in accordance with a resolution of the members of the Committee.

C. W. Owen
President

K. M. McGorm
Vice-President



**STATEMENT BY THE MEMBERS OF THE COMMITTEE
FOR THE YEAR ENDED 30 JUNE 2007**

In the opinion of the Committee, the financial report as set out on pages 4 to 20

- 1 Presents fairly the financial position of The Grange Golf Club Incorporated as at 30 June 2007 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
- 2 At the date of this statement, there are reasonable grounds to believe that The Grange Golf Club Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

C. Wayne Owen
President

Kerry M. McGorm
Vice President

Signed at The Grange Golf Club this 8th day of October 2007



**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	2007 \$	2006 \$
Revenue			
Membership	2	2,792,299	2,738,603
Entrance Fees		232,952	298,053
Call on Members		-	339,624
Grants Received - Australian Sports Foundation		5,267	17,483
Golfing Activities	3	626,210	576,995
House Trading	4	147,282	148,903
Other Income	5	39,405	54,455
Total Revenue		\$3,843,415	\$4,174,116
Expenditure			
Course	6	2,038,698	2,095,058
Clubhouse	7	419,233	595,099
Golfing Activities	8	286,252	270,150
Finance Costs		246,052	126,228
Administration	9	833,651	775,951
Total Expenditure		\$3,823,886	\$3,862,486
Net surplus		\$19,529	\$311,630



**BALANCE SHEET
AS AT 30 JUNE 2007**

	Note	2007 \$	2006 \$
CURRENT ASSETS			
Cash and Cash Equivalents	10	449,643	8,374
Investments		-	-
Trade and Other Receivables	11	227,932	251,351
Inventory	12	63,918	55,653
TOTAL CURRENT ASSETS		741,493	315,378
NON-CURRENT ASSETS			
Property, plant and equipment	13	10,946,864	9,211,087
TOTAL NON-CURRENT ASSETS		10,946,864	9,211,087
TOTAL ASSETS		11,688,357	9,526,465
CURRENT LIABILITIES			
Trade and Other Payables	14	814,722	516,093
Bank & Other Facilities	15	2,850,000	2,432,929
Amounts Received in Advance	16	1,731,873	379,888
Short Term Provisions	17	95,613	113,258
TOTAL CURRENT LIABILITIES		5,492,208	3,442,168
NON-CURRENT LIABILITIES			
Loans	15	910,020	824,778
Perpetual Trophy Trust		7,250	7,250
Long Term Provisions	17	13,127	6,047
TOTAL NON-CURRENT LIABILITIES		930,397	838,075
TOTAL LIABILITIES		6,422,605	4,280,243
NET ASSETS		5,265,751	5,246,222
EQUITY			
Retained Earnings		5,265,751	5,246,222
TOTAL EQUITY		5,265,751	5,246,222



**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
RETAINED EARNINGS		
Balance at Beginning of Reporting Period	5,246,222	4,934,592
Net Surplus	19,529	311,630
Balance at End of Reporting Period	<u>5,265,751</u>	<u>5,246,222</u>
TOTAL EQUITY	<u>5,265,751</u>	<u>5,246,222</u>



**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Membership & Other Receipts		7,478,284	6,302,181
Payments to Suppliers & Employees		(4,884,245)	(5,416,539)
Interest Received		3,892	6,552
Interest Paid		(246,052)	(126,227)
Net Cash Provided by / (Used In) Operating Activities	19(a)	<u>2,351,879</u>	<u>765,967</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale of Property, Plant & Equipment		50,500	46,454
Purchase of Property, Plant & Equipment		(2,463,423)	(1,499,823)
Net Cash Provided by / (Used In) Investing Activities		<u>(2,412,923)</u>	<u>(1,453,369)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in Bank Bill Facility		450,000	600,000
Increase in Membership Investment Scheme		85,242	122,823
Net Cash Provided by / (Used In) Financing Activities		<u>535,242</u>	<u>722,823</u>
NET DECREASE IN CASH HELD		474,198	35,421
CASH AT THE BEGINNING OF THE YEAR		(24,555)	(59,976)
CASH AT THE END OF THE YEAR	19(b)	<u>449,643</u>	<u>(24,555)</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act (SA) 1985 and the Club's Constitution.

The financial report covers The Grange Golf Club Incorporated ("Club") as an individual entity, an association incorporated in South Australia under the Associations Incorporation Act (SA) 1985.

The financial report of the Club as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the Club in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

(a) Revenue Recognition

Annual subscriptions are recognised in the subscription year to which they relate with amounts received prior to 30 June being recorded as unearned income at year end. Entrance fees are recognised at the time the member joins the Club. Club levies (bar & dining) charged to members, but unused at the year end, are absorbed into general revenue.

(b) Cash & Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank and other short term highly liquid investments with original maturities of three months or less.

(c) Property, Plant & Equipment

Each class of property, plant and equipment is carried at cost, less, where applicable, any accumulated depreciation and impairment losses.

Property, plant & equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount is reviewed annually by the Committee to ensure that it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present value in determining recoverable amount.

All repairs and maintenance are charged to the income statement during the financial period in which they are incurred.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives from the time that the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are:

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Plant & Equipment	5% to 25%
Buildings & Surrounds	2% to 15%
Course	2% to 10%
Furniture & Equipment	5% to 25%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

(d) Income Tax

The Club is exempt from income tax in accordance with Section 50-45 of the Income Tax Assessment Act, 1997

(e) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST where applicable.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(f) Employee Benefits

Provision is made for the Club's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

The provision for employee entitlements to long service leave is accrued based on a percentage related to the employees' years of service. An accrual of 25% is raised after 4 years of service, 50% after 5 years, 75% after 6 years and 100% after 7 years.

(g) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(h) Impairment of Assets

At each reporting date, the Club reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Membership Investments

Membership investments are long term investments repaid on call. The Club retains the right to repay these investments at its discretion at any time. The level of debt that can be borrowed from members was increased to a cap of \$1,500,000 by the Committee at its meeting on 28th August 2007. The interest rate paid is 0.5% above the current market rate. The interest rate paid was 6.75% for the six months ending 31st December 2006 and then increased to 7.0% for the six months ended 30 June 2007. The interest rate payable until 30 June 2008 is 7.0%. Interest was paid quarterly into members nominated bank accounts in arrears, unless alternative payment arrangements were requested by the member.

(j) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the Club's intention to hold these investments to maturity. Any held-to-maturity investments held by the Club are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the Club assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Critical Accounting Estimates and Judgments

The Committee members evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Club.

Key Estimates - Impairment

The Club assesses impairment at each reporting date by evaluating conditions specific to the Club that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.



**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
NOTE 2 - MEMBERSHIP		
Subscription Fees	2,689,156	2,634,042
Locker Rental Fees	8,839	7,868
Buggy Storage Fees	52,826	50,910
Membership Application Fees	5,591	3,364
Interest & Direct Debit Admin Fees	35,887	42,419
	<u>2,792,299</u>	<u>2,738,603</u>
NOTE 3 - GOLFING ACTIVITIES		
Green Fees	359,570	313,834
Competition Fees	161,763	159,276
Motorised Cart Fees	104,877	103,885
	<u>626,210</u>	<u>576,995</u>
NOTE 4 - HOUSE TRADING(NET)		
Bar	169,200	177,679
Catering	(21,918)	(28,776)
	<u>147,282</u>	<u>148,903</u>
NOTE 5 - OTHER INCOME		
Lotteries Commission Income	2,654	6,426
Interest Received	1,800	2,041
Sundry Income	34,951	45,988
	<u>39,405</u>	<u>54,455</u>
NOTE 6 - COURSE		
Wages & Related Costs	1,021,826	990,796
Course Consultancy	2,938	10,155
Depreciation	351,301	429,406
Loss/ (Profit) on Disposal of Assets	(16,720)	19,207
Write-off of Course Irrigation (West Course Redevelopment)	124,397	-
Chemicals, Fertiliser & Seed	147,703	189,775
Electricity	108,613	61,200
Machinery - Repairs, Fuel & Registration	107,064	92,907
Course Maintenance	163,029	262,150
Water Service Maintenance	28,547	39,462
	<u>2,038,698</u>	<u>2,095,058</u>



NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	\$	\$
NOTE 7 - CLUBHOUSE		
Depreciation	126,629	284,455
Repairs & Maintenance	38,081	49,432
Electricity & Gas	58,297	69,430
Cleaning	80,874	80,109
Clubhouse Supplies & Laundry	115,353	111,673
	<u>419,233</u>	<u>595,099</u>

NOTE 8 - GOLFING ACTIVITIES

Motorised Carts		
- Repairs & Maintenance	12,246	21,454
- Depreciation	37,703	38,171
Pennant & Junior Golf Promotion	19,102	14,992
Professional Fees	79,026	59,897
Competition Fees	138,175	135,636
	<u>286,252</u>	<u>270,150</u>

NOTE 9 - ADMINISTRATION

Audit & Review of Financial Statements	13,550	11,500
Bank Fees	47,757	47,605
Committee Expenses	14,056	10,222
Computer Maintenance	20,144	14,408
Consulting Fees	4,250	-
Depreciation	22,903	27,322
Loss/ (Profit) on Disposal of Non-Course Assets	9,847	(144)
Fine & Associated Costs - Removal of Significant Tree	11,820	-
Insurance	42,055	42,003
Legal Fees	11,750	5,056
Newsletter	3,621	5,537
Rates & Taxes	100,958	87,040
Repairs & Maintenance	3,783	4,909
Security	15,511	21,481
Stationery, Printing & Postage	57,511	55,328
Sundry Expenses	16,072	13,091
Telephone	26,539	24,823
Travelling Expenses	9,622	-
Wages & Related Costs	401,902	405,770
	<u>833,651</u>	<u>775,951</u>

NOTE 10 - CASH & CASH EQUIVALENTS

Cash on Hand	4,950	4,950
Cash at Bank	444,693	3,424
Bank Overdraft	-	(32,929)
	<u>449,643</u>	<u>(24,555)</u>



**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
NOTE 11 - TRADE & OTHER RECEIVABLES		
Membership Debtors	95,233	138,243
Prepayments	55,049	29,341
Sundry Debtors	82,650	88,767
Less: Provision for Debt Impairment	(5,000)	(5,000)
	<u>227,932</u>	<u>251,351</u>
NOTE 12 - INVENTORY		
Bar	46,579	42,690
Catering	17,338	12,963
	<u>63,918</u>	<u>55,653</u>
NOTE 13 - PROPERTY, PLANT & EQUIPMENT		
Freehold Land		
At cost	1,132,917	1,132,917
Buildings & Surrounds		
At Cost	5,265,500	5,219,967
Less: Accumulated Depreciation	(1,915,802)	(1,813,194)
Total Building	<u>3,349,698</u>	<u>3,406,773</u>
Course Construction		
At Cost	2,714,758	1,424,309
Less: Accumulated Depreciation	(571,324)	(504,368)
Total Course Construction	<u>2,143,434</u>	<u>919,941</u>
Course Irrigation		
At Cost	2,633,217	2,704,646
Less: Accumulated Depreciation	(956,710)	(1,000,899)
Total Course Irrigation	<u>1,676,507</u>	<u>1,703,747</u>
Plant & Equipment		
At Cost	2,074,907	2,012,589
Less: Accumulated Depreciation	(1,043,383)	(1,117,372)
Total Plant & Equipment	<u>1,031,524</u>	<u>895,217</u>
Furniture & Equipment		
At Cost	1,369,826	1,517,367
Less: Accumulated Depreciation	(1,102,955)	(1,231,746)
Total Furniture & Equipment	<u>266,871</u>	<u>285,621</u>
Capital Works in Progress		
At Cost	1,345,912	866,871
Total Property Plant & Equipment	<u>10,946,864</u>	<u>9,211,087</u>



**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 13 - PROPERTY, PLANT & EQUIPMENT (continued)

Movement in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Balance at beginning of the year	Revaluation (decrements)	Additions	Disposals	Depreciation	Balance at end of the year
Freehold Land	1,132,917	-	-	-	-	1,132,917
Buildings & Surrounds	3,406,773	-	72,640	10,437	(119,278)	3,349,698
Course Construction	919,941	-	1,292,000	892	(67,615)	2,143,434
Course Irrigation	1,703,747	-	220,516	126,215	(121,540)	1,676,507
Plant & Equipment	895,217	-	368,457	30,938	(201,211)	1,031,524
Furniture & Equipment	285,621	-	30,768	41	(49,477)	266,871
Capital Works in Progress	866,870	-	479,042	-	-	1,345,912
	9,211,086	-	2,463,423	168,523	(559,121)	10,946,864

	2007	2006
	\$	\$
NOTE 14 - TRADE AND OTHER PAYABLES		
Deposits - Weddings & Trade Days	52,086	35,027
Member Top-ups - House Accounts	22,024	10,039
Trade Creditors	422,496	280,980
Annual Leave	116,025	124,286
Accrued Expenses	202,091	65,761
	<u>814,722</u>	<u>516,093</u>

NOTE 15 - BANK & OTHER FACILITIES

Current

Bank Overdraft	-	32,929
Bank Bill facilities	2,850,000	2,400,000
	<u>2,850,000</u>	<u>2,432,929</u>

Non-current

Loans - Membership Investment Scheme	<u>910,020</u>	<u>824,778</u>
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Interest on Bank Overdraft is charged at prevailing market rates.

The Bank Bill Facility is available to draw down as and when required for the purposes of funding capital investment. Bills are rolled at 30 days and retired as funds become available. This facility currently charges interest at 8.65% for amounts over \$250,000.

The Membership Investment Scheme paid interest at a rate of 6.5% for the six months ended 31st December 2006. The Membership Investment Scheme paid interest at a rate of 7.0% for the six months ended 30th June 2007.

NOTE 16 - AMOUNTS RECEIVED IN ADVANCE

2007/08 Membership Subscriptions Paid in Advance	<u>1,731,873</u>	<u>379,888</u>
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The increase in membership subscriptions paid in advance was due to the Committee request for payment of fees by 30th June 2007; a change in practice from previous years.



**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
NOTE 17 - PROVISIONS		
Provision for Employee Benefits		
Long Service Leave	108,740	119,305
	<u>108,740</u>	<u>119,305</u>
Provision for Long Service Leave		
Opening Balance	119,305	149,031
Additional Provisions	19,448	7,682
Amounts Used	(30,013)	(37,408)
Balance at 30 June 2007	<u>108,740</u>	<u>119,305</u>
Analysis of Total Provisions		
Current		
Long Service Leave	95,613	113,258
Non Current		
Long Service Leave	13,127	6,047
	<u>108,740</u>	<u>119,305</u>

Provision for Long-term Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

NOTE 18 - KEY MANAGEMENT PERSONNEL

Remuneration of Key Management Personnel is as follows:

	Gross Remuneration & Benefits	Superannuation	Termination	Total
2007	311,144	38,944	48,404	398,492
2006	317,959	44,954	42,342	405,255



**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 19 - CASH FLOW INFORMATION	2007	2006
	\$	\$
(a) Reconciliation of Cash Flow from Operations with Profit		
Net Surplus	19,529	311,630
<i>Non-cash flows in profit</i>		
Depreciation	559,121	806,829
Net (gain) / loss on disposal of property, plant and equipment	118,026	19,063
<i>Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries</i>		
(Increase) / decrease in trade and other receivables	23,419	(131,557)
(Increase) / decrease in inventory	(8,265)	897
Increase / (decrease) in trade and other payables	1,650,614	(211,169)
Increase / (decrease) in provisions	(10,565)	(29,726)
Cashflow from operations	<u>2,351,879</u>	<u>765,967</u>

(b) Reconciliation of cash

Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to items in the Balance Sheet as follows:

Cash at Bank & on Hand	449,643	8,374
Bank Overdraft	-	(32,929)
	<u>449,643</u>	<u>(24,555)</u>

(c) Non-cash Financing and Investing Activities

There were no non-cash financing or investing activities during the financial year.

(d) Credit Standby Arrangements and Loan Facilities

The Club does not have any credit standby arrangements or unused loan facilities.



**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 20 - FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The Club's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, short term bank bill financing and investments from members.

The Club does not have any derivative instruments at 30 June 2007.

(i) Treasury Risk Management

The Committee of the Club meet monthly to review financial reports prepared by management, and to evaluate investments. The Committee have determined that there is no speculative investing of the Club's finances.

(ii) Financial Risks

The main risks the Club is exposed to through its financial instruments are interest rate risk and liquidity risk.

Interest rate risk

Interest rate risk is managed by ensuring investments are reviewed regularly. The Club's debt as at 30 June 2007 comprised \$2,850,000 of Bank Bills and \$910,120 of investments by members.

Foreign currency risk

The Club is not exposed to fluctuations in foreign currencies.

Liquidity risk

The Club manages liquidity risk by monitoring forecast cash flows.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The Club does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Club.

Price risk

The Club is not exposed to any material commodity price risk.



**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 20 - FINANCIAL INSTRUMENTS (continued)

(b) Interest Rate Risk

The Club's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates is as follows:

2007	Interest Rate	Bank Bills Maturing Less than 1 year	Fixed Interest Rate Maturing	Non Interest Bearing	Total
		2007 \$	1 to 5 years \$	2007 \$	2007 \$
Financial Assets					
Cash and Cash Equivalents		-	-	449,643	449,643
Trade and Other Receivables		-	-	227,932	227,932
Total Financial Assets		-	-	677,575	677,575
Financial Liabilities					
Trade and Other Payables		-	-	698,697	698,697
Bank Bills	8.65%	2,850,000	-	-	2,850,000
Membership Investments	7.00%	-	910,020	-	910,020
Total Financial Liabilities		2,850,000	910,020	698,697	4,458,717

2006	Interest Rate	Bank Bills Maturing Less than 1 year	Fixed Interest Rate Maturing	Non Interest Bearing	Total
		2006 \$	1 to 5 years \$	2006 \$	2006 \$
Financial Assets					
Cash and Cash Equivalents		-	-	8,374	8,374
Trade and Other Receivables		-	-	251,351	251,351
Total Financial Assets		-	-	259,725	259,725
Financial Liabilities					
Trade and Other Payables		-	-	391,808	391,808
Bank Bills	7.50%	2,400,000	-	-	2,400,000
Membership Investments	6.50%	-	824,778	-	824,778
Total Financial Liabilities		2,400,000	824,778	391,808	3,616,586

(c) Net Fair Values

The net fair values of assets and liabilities approximates to their carrying value. No financial assets or financial liabilities are readily traded on organised markets in standardised form. Financial assets, where the carrying amount exceeds net fair value, have not been written down as the Club intends to hold these assets to maturity.

Due to the nature of the financial instruments held by the Club the costs associated with their settlement are not material. As a result the fair value of the instrument is calculated at its face value. In the case of debtors an allowance has been made for doubtful debts where appropriate.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Balance Sheet and in the notes to the financial statements.

Fair values are materially in line with carrying values.



**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 21 - CAPITAL AND LEASING COMMITMENTS

As at 30 June 2007, the Club is committed to complete the Wetland Project, 4th green - East Course, Practice Fairway Redevelopment, Irrigation of Practice Fairway and the 4th & 5th Holes - East Course within the next financial year for a total capital sum of \$1,625,000 of which \$1,345,912 has been recognised to date as Capital Works in Progress (see Note 15)

NOTE 22 - RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions unless otherwise stated.

NOTE 23 - SEGMENT REPORTING

The Club operates predominately in one business and geographical segment, being the sporting sector, providing golfing facilities to members of the Club and fostering and developing the game of golf in Adelaide.

NOTE 24 - CLUB DETAILS

The principal place of business of the Club is:

Grange Golf Club Inc
White Sands Drive
Seaton SA 5023

NOTE 25 - EVENTS SUBSEQUENT TO BALANCE DATE

There are no other events subsequent to balance date which necessitate disclosure in the Financial Statement.



**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 26 - CHANGE IN ACCOUNTING POLICY

The following Australian Accounting Standards were issued or amended and are applicable to the Club but are not yet effective and have not been adopted in preparation of the financial statements at reporting date.

AASB Amendment	AASB Standard Affected	Nature of change in Accounting Policy and Impact	Application Date of the Standard	Application Date for the Club
2005-10	AASB 139: Financial Instruments: Recognition and Measurement	No change, no impact	1-Jan-07	1-Jul-07
	AASB 101: Presentation of Financial Statements	No change, no impact	1-Jan-07	1-Jul-07
	AASB 114: Segment Reporting	No change, no impact	1-Jan-07	1-Jul-07
	AASB 117: Leases	No change, no impact	1-Jan-07	1-Jul-07
	AASB 132: Financial Instruments: Disclosure and Presentation	No change, no impact	1-Jan-07	1-Jul-07
	AASB 4: Insurance Contracts	No change, no impact	1-Jan-07	1-Jul-07
	AASB 1023: General Insurance Contracts	No change, no impact	1-Jan-07	1-Jul-07
New Standard	AASB 7: Financial Instruments: Disclosure	No change, no impact	1-Jan-07	1-Jul-07

All other pending Standards issued between the previous financial report and the current reporting dates have no application to the Club.

DEAN NEWBERY & PARTNERS CHARTERED ACCOUNTANTS

ABN 49 976 436 356

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GRANGE GOLF CLUB INCORPORATED

Report on the Financial Report

We have audited the accompanying financial report of the Grange Golf Club Incorporated, which comprises the balance sheet, income statement, cash flow statement, statement of changes in equity for the year ended 30 June 2007, a summary of significant accounting policies, other explanatory notes and the Statement by Members of the Committee.

Committee of the Association for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act SA 1985. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion the financial report of the Grange Golf Club Incorporated presents a true and fair view in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of the Grange Golf Club Incorporated, as at 30 June 2007 and the results of its operations and its cash flows for the year then ended.

DEAN NEWBERY & PARTNERS
Chartered Accountants



DON VENN
PARTNER

Signed on the 8th day of October 2007,
At 214 Melbourne Street, North Adelaide, South Australia 5006.

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**HOUSE TRADING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

	BAR		Catering	
	2007	2006	2007	2006
	\$	\$	\$	\$
Sales				
Less:				
Cost of Goods Sold	835,904	829,822	969,558	910,635
	305,875	297,346	401,285	368,753
Gross Profit	<u>530,030</u>	<u>532,476</u>	<u>568,272</u>	<u>541,882</u>
Gross Profit Percentage	63.41%	64.17%	58.61%	59.51%
EXPENDITURE				
Computer Maintenance	4,883	4,356	4,883	4,356
Depreciation	4,173	8,943	16,412	19,707
Marketing	4,477	7,611	4,477	7,611
Member Birthday Vouchers	-	-	15,020	14,293
Repairs & Maintenance	3,278	4,255	5,296	6,873
Supplies & Laundry	8,570	7,657	24,661	22,720
Wages & Related Costs	354,727	340,652	538,829	513,896
Total Operating Expenses	<u>380,108</u>	<u>373,474</u>	<u>609,578</u>	<u>589,456</u>
Net Operating Surplus(Deficit)	149,922	159,002	(41,306)	(47,574)
Add: Unexpended Levies	19,279	18,678	19,387	18,799
NET SURPLUS	<u>169,200</u>	<u>177,680</u>	<u>(21,918)</u>	<u>(28,775)</u>



SUMMARY OF LAST 5 YEARS

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Number of Members	2426	2492	2569	2554	2535
Staff (including trainees and apprentice staff)					
- Administration	6	6	5.8	5.8	5.8
- Course (Full-Time Equivalent)	23	24	24	24	23.5
- Bar & Catering (Full-Time only)	6	8	8	7	7
Subscription Rate (exc GST)	\$1,502	\$1,397	\$1,367	\$1,339	\$1,287

STATEMENT OF FINANCIAL PERFORMANCE AND MEMBERS FUNDS MOVEMENTS

Income

Subscription Fees	2,689	2,634	2,635	2,589	2,463
Gross Profits - House Trading	1,098	1,074	1,074	996	921
Other Income	820	772	811	753	765
Entrance Fees	233	298	491	451	425
Call on members	-	340	-	-	-
	<u>4,840</u>	<u>5,118</u>	<u>5,011</u>	<u>4,789</u>	<u>4,574</u>

Less Expenditure

Total Salaries & Wages	2317	2251	2,060	1,977	1,850
Other Expenses	1698	1623	1,706	1,564	1,573
Depreciation	559	807	767	760	703
Interest	246	126	122	130	103
	<u>4,820</u>	<u>4,807</u>	<u>4,656</u>	<u>4,431</u>	<u>4,229</u>

Operating Surplus

	20	311	355	359	346
Members Funds' at Beginning of Year	5,246	4,935	4,579	4,221	3,875
Members Fund's at End of Year	<u>5,265</u>	<u>5,246</u>	<u>4,935</u>	<u>4,579</u>	<u>4,221</u>

The Grange Golf Club Incorporated

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